



Enabling poor rural people
to overcome poverty

Grenada

Market Access and Rural Enterprise Development Programme – MAREP (Loan 819-GD)

Supervision report

Main report and appendices

Mission Dates: 18-22 November, 2013
Document Date:
Project No. L-819-GD
Latin America and Caribbean Division
Programme Management Department



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Introduction¹

1. An IFAD Supervision Mission (henceforth, “the Mission”) worked with the Government of Grenada (GOG) and with the Team of the Grenada Market Access and Rural Enterprise Development Programme (MAREP, or “the Programme”) over the period of November 18-22, 2013. The Mission was the fifth one for the Programme. The Mission focused on overall Programme implementation, the AWBP 2014 and overall compliance to IFAD procedures.
2. The Mission met with His Excellency Dr Mitchell, Prime Minister and Minister of Finance, Hon. Oliver Joseph, Minister of Economic Development, Trade, Planning, and Cooperatives, Mr Timothy Antoine, Permanent Secretary in the Ministries of Finance & Energy, Economic Development, Trade, Planning & Cooperatives, as well as with Ms Jennifer Alexis, Chairperson of the Programme Steering Committee (PSC). The Mission had meetings with the Programme Coordination Unit (PCU)², members of the Programme Steering Committee (PSC) and conducted additional meetings with Ms Sonia Roden and Ms Khesha Mitchell of the Grenada Industrial Development Corporation (GIDC).
3. The Mission extends its appreciation for the support and assistance provided to this Mission by all GOG institutions, the PSC Chair and members, the Programme Manager and the PCU team.

Overall assessment of MAREP implementation

4. Since IFAD/CDB’s last supervision mission in June-July, substantial progress has been made to provide MAREP with effective management and strategic guidance, within the framework of national policies for socio-economic development of rural areas. A renovated PSC is giving the PCU the policy orientation it needs to put MAREP resources and operations at the service of national development priorities, within the boundaries of IFAD and CDB institutional mandates as jointly defined in the Programme design documents and loan agreements. The new Programme Manager (PM) and his team are also working hard to make sure a fully-staffed PCU will be operational as soon as possible. The Mission wishes to commend the Government of Grenada for taking up the challenge of substantially revamping MAREP and taking all necessary measures to enable the Programme to reach out to communities and farmers early in 2014.
5. On the other hand, the Programme is ending its third year of implementation with little results to show at the field level. As of mid-2013, IFAD has classified MAREP as a “risk Programme”, which implies closer oversight and a shorter timeline to revert its historical trend of underperformance, fault of which further measures would be taken, such as loan suspension and, eventually, partial or total cancellation. The Government and IFAD agreed to take all necessary steps to ensure that the new positive trend and outlook for MAREP get reflected in

¹ Mission composition: Mr Paolo Silveri, IFAD Country Programme Manager (Mission Leader); Mr Dario Rimedio, IFAD Finance Officer; Ms Maria Sisto, Financial Services and Credit Specialist; and Ms Ingrid Schreuel, Rural Empowerment and Gender Equity Specialist and Monitoring and Evaluation Support.

² The MAREP team comprised: Mr Byron Campbell, Programme Manager; Ms Binta Viechweg-Greenidge, Programme Accountant and former acting PM; Ms Beryl-Ann Clarkson, M&E Specialist; Ms Danessa Joseph, Community and Youth Officer; Ms Sheena Narayan, Community and Youth Officer; Ms Asha Julien, Community and Youth Officer.

its performance indicators as soon as possible. The first semester (6 months) of 2014 will be crucial to achieve this objective.

6. A second crucial element of success will be MAREP's capacity to merge the necessary renovation with a reasonable degree of continuity in key technical areas, such as financial management and community work. While a baseline database is built, together with a monitoring and learning system, the M&E Specialist will need to ensure that results in field operations are promptly reflected into MAREP's progress reports. GOG and IFAD agreed to provide the Programme with special oversight and more intensive supervision, until it stabilizes operations at the desired quality and speed levels.
7. Clear communication channels between GOG, IFAD and CDB have also been confirmed with the Grenadian authorities, the focal point for MAREP-related institutional relations being Mr Timothy Antoine, Permanent Secretary, Ministry of Finance, Energy, Economic Development, Planning and Trade & Cooperatives.

Agreed action	Responsibility	Agreed date
Intensify Programme oversight with monthly reports to PS Finance, IFAD and CDB	PCU	Monthly
Ensure continuity in key technical areas of PCU	GOG	Continuous
Intensify ad-hoc support and coaching to Programme PSC and PCU as required	IFAD	Monthly communications and updates

Outputs and outcomes

8. **Market Access and Enterprise Development (MAED).** The component is still without the key staff on board the PCU. The candidates interviewed for the position of Business Specialist (BS) were not satisfactory, and the GOG, in consultation with CDB, decided to re-advertise the position. This recruitment is part of an overarching process of staff recruitments aiming at the full complement of staff and scheduled to finalize by the end of January 2014. As agreed in previous Aide Memoires, the Mission reiterates that this process should be completed as planned with no further delays. Assuming the selected candidates could be able to join the PCU immediately, becoming familiar with the Programme design, the assimilation process of its instruments and procedures is likely to take some time. Some activities will need to start implementation as the new staff is still in the learning process to ensure results at the ground level as soon as possible. Since the PSC includes key resource persons with expertise in business development and marketing, the Mission anticipates that the PCU may require collaboration from the PSC to advance implementation and avoid further delays, particularly in the first semester of 2014.

9. Notwithstanding the absence of the Business Specialist, the PCU was able to finalize and sign three critical Memoranda of Understanding (MOU) as agreed in the last Aide Memoire. These include the MOU with the Grenada Industrial Development Corporation (GIDC); with the Grenada Cooperative Bank Ltd. (GCBL); and with the Ministry of Works (MOW). The GIDC has already started the recruitment process for the Business Development Officers (BDOs). Interviews will take place in the next two weeks to 10 applicants; training of 6 candidates will start immediately, and the final selection of the 3 BDOs will be completed by mid-December, for the BDOs to be operational by mid-January 2014. The Mission recommends that the PCU work in close collaboration with GIDC, sharing the draft of 2014 Annual Work Plan and Budget (AWPB), in order to prepare a detailed joint work plan for the first semester identifying focus areas and deliverables required to ensure consistency in the

intervention, as well as clear targets and performance indicators for the BDOs activities. The Mission also recommends that the representation of GIDC in the PSC be vested in GIDC staff involved in MAREP's operations, as was the case in the previous PSC. This would make sure a direct feedback to GIDC with an overall view of MAREP's activities allowing the identification of synergies and ensuring consistency.

10. The feeder roads component of the RIF -implemented through the MOW- is expected to start construction works in December, representing the first tangible asset to be delivered to the communities. It has been agreed that contractors will hire personnel from the communities, thus bringing additional benefits to the targeted poor families.

11. The PSC has established strategic guidelines for implementation that give strong emphasis to market driven activities in line with GOG vision of the country's competitive advantages for geo-tourism. The strategy is a "niche marketing repositioning" of Grenada, targeting conscious consumers and demanding higher prices, low volume products and services, such as organic agriculture and fair trade markets. The GOG is launching an official branding that will enhance the "pristine" features of Grenada's landscape and products. This new brand has been adopted and endorsed by a few innovative firms that are engaged in sustainable agricultural products such as organic production of honey, goat dairy, cut flowers, organic cocoa processing and Nutmed (botanical medicinal products). The Programme would promote the inclusion of poor rural communities in this type of ventures – for which new markets and opportunities for businesses expansion were already identified - through the exposure to such on-going success stories and the promotion of a value chain approach.

12. According to the 2014 AWPB proposal, the Programme would organize a fair in Sauteurs in the first semester launching the new strategic marketing repositioning in rural communities and showcasing successful businesses, and emerging technologies to inspire diversification from traditional non-competitive activities to sustainable innovative ventures. The PCU may require the support of the PSC in the preparation of the Terms of Reference for this fair, since the planning of this critical activity will take place while the component's key staff is likely to be still in the learning process.

13. The Annual Work Plan and Budget proposal for 2014 includes the basic activities of the MAED component. It is likely that the Business Specialist to be recruited and joining the team at the beginning of next year will suggest some adjustments to better meet the targets. In the meantime, it is recommended that the PCU and the PSC work in close collaboration, using the resource persons of the PSC whenever necessary to advance with the activities, particularly when they require PSC approval. For example, the existing draft of the RIF Operations Manual could be reviewed by the PCU with selected members of the PSC to facilitate approval and advance implementation. It is important to remark that there are two lines of activities in the work plan that need to align with MAREP's new strategic vision to build a consistent package of support at the ground level. These are the technical support services provided through GIDC and the Rural Investment Fund, through its Feeder Road Component and through the Enterprise and Productive Windows. The Mission recommends that the revision of the 2014 AWPB should pay careful attention to the links between these activities and their mutual dependence to avoid delays in implementation.

Agreed action	Responsibility	Agreed date
Complete recruitment of key MAED staff	PSC/PM/PA	Completed 31 January, 2014
Advance activities of first quarter 2014 AWPB as planned with the support of the PSC resource persons as required	PSC/PCU/PM	By 31 March, 2014
Review the representation of GIDC in the PSC	MOF/PSC/GIDC	Immediately
Review the draft 2014 AWPB with GIDC to ensure a consistent and timely implementation of technical services and the RIF	PSC/PCU/PM/GIDC	By 15 December, 2013

14. **Human and Social Capacity Building (HSCB).** The position of the Human and Social Capital Building Specialist (HSCB) is still vacant (since April 1, 2013). The component continues to be supported by 3 CYOs who have gained relevant experience over time. Only a few activities have been carried out under this component since the last Supervision Mission. Lack of field activities is due to the recruitment problem, and instructions from the MOF to engage as little as possible with the CBOs as the Marketing and Enterprise Development Component (MAED) and the Rural Investment Fund (RIF) are not operational as yet and to avoid creating false expectations in the 24 communities and about 30 CBOs “phased-in” so far by MAREP. Even though several CBOs are at the moment demotivated by the delays in concrete activities, in business development and access to the RIF, many other CBOs have remained in touch with the CYOs, inviting them to meetings and requesting specific assistance in organisational strengthening aspects.

15. The CYOs assisted the CDB Mission in August with the Ministry of Works in identifying the locations for the feeder roads in Bopland Road (St. John), Grand Tan & Grand Tin Roads (St. George), Resource (leads to Non Paniel, St. Mark), Bel lair Cocoa Road (St. Patrick), and Cocoa Road (St. Andrew).

16. As agreed during the last Supervision Mission, a training workshop was organised to assist CBOs that are presently not formally registered. Of the 22 CBOs invited to the workshop, 8 participated and are now in the process of becoming legally registered, which is a condition to be allowed to administer and manage RIF directly by the beneficiaries. Two (2) of the CBOs assisted by MAREP have carried out the registration process on their own. The CYOs will support all CBOs in developing their by-laws, ensuring a participatory process.

17. Due to lack of recruitment of the HSCB Specialist and the Gender of Youth Officer (GYO), the manual and instruments to assist CBOs with Direct Implementation by Beneficiaries (DIB), have not been developed as agreed during the last Supervision Mission. It was agreed that as soon as the HSCB Component staff has been recruited, the instruments will be developed with input from the Programme Accountant, Business Development and M&E Specialists, and that CYOs and BDOs will be trained in DIB and RIF procedures during the first semester of 2014.

18. The Vocational and skills training has also been put on a hold during 2013, but has been included with more emphasis in the AWPB 2014. In the review of the AWPB, the PSC emphasized the importance of this type of training for young men and women to become employable and its concern that the necessary measure need to be taken to ensure that these opportunities will be accessible for the target group. In follow-up discussions with the PSC Chair person, the Programme Manager and the Supervision Mission, it was agreed that during the selection process the socio-economic situation of the candidate would be carefully assessed. A stipend (for transportation, meals, uniforms) would be made provided on a case by case basis, particularly to those students that belong to the most vulnerable groups: (i) having been unemployed for the last six (6) months, (ii) receiving no financial support from family or close relatives, and (iii) single parents (male/female). It was also agreed that the MOUs with service providers would include a clause that there would be a refund of tuition fees for drop-outs, and that all vocational and skills training would lead to a certification (either national or regional, in order to increase the changes to become employed).

Agreed action	Responsibility	Agreed date
Develop simple manuals and instruments to assist CBOs with DIB and train CYOs in their use.	HSCB Specialist / GYO / BDS / Accountant / M&E Specialist	March 31, 2013
Train DBOs and CYOs in DIB and RIF procedures.	PMT	Before June 30, 2014
Continue to assist CBOs with formal registration process as well as facilitate the development of their by-laws, in a participatory manner.	CYOs	Ongoing

MAREP implementation progress

19. **Quality of Programme Management.** The GOG appointed a Programme Manager, as agreed in the last Supervision Mission, and made significant changes to the composition of the Programme

Steering Committee that has strengthened leadership to ensure the attainment of goals. A new Chairperson has been appointed and there were changes in the representation of GIDC and beneficiaries. The Mission recommends that the representation of beneficiaries should be reviewed taking into account MAREP design and rationale. As was implemented in GREP and in the previous MAREP PSC, there should be three representatives of beneficiary communities selected through a participatory processes.

20. The newly appointed Chair of the PSC has provided strategic leadership to the Programme and promoted an active involvement of the PSC in some key MAREP activities to avoid further delays. This could be regarded as a temporary measure in the present situation of the PCU, where the components have no technical leadership and there are key activities that must be completed in due time, such as the recruitment of staff and the preparation of the 2014 AWPB. The Mission commends this collaboration between the PSC and the PCU in these extraordinary circumstances to bring the programme's implementation back on track and recommends that the respective roles should be resumed when the PCU is fully operative to perform its tasks. The Mission also recommends availing the new members of the PSC with all the relevant documentation regarding Programme design and procedures as soon as possible, given the Committee's strategic role and its present involvement in revamping MAREP implementation.

21. The situation of existing staff contracts remains precarious. The GOG decided to advertise all positions of the PCU, issuing letters of appointment until year-end to the members of the staff whose contracts expired in the first semester. The recruitment process is not expected to be completed by the end of 2013. The Mission has agreed with the GOG that the recruitment process would be completed by the end of January 2014 and the existing staff would have letters of appointment up to that date.

22. **Annual Work Plan and Budget.** The PCU has prepared a draft of the 2014 AWPB. The PSC has reviewed this draft and provided strategic orientation and clear instructions on the direction of next year activities. The Mission discussed the draft with the PCU and PSC and is satisfied with the results so far and the timeliness of this strategic planning exercise. The Mission recommends completing the final version of the AWPB in consultation with implementing partners and giving close attention to budget and procurement issues.

Agreed action	Responsibility	Agreed date
Complete recruitment of staff and keep existing staff until positions are filled	MOF/PSC/PM	January 31, 2014
Review the representation of beneficiaries in the PSC and avail new PSC members with all relevant documents; resume respective roles of PSC and PCU as the PCU is fully operative	PSC/PM	Immediately
Finalize the 2014 AWPB involving implementing partners	PSC/PCU/PM/PA	December 15, 2013

23. **Performance of M&E.** The M&E Specialist has been able to recover data on outputs from previous years (2011 and 2012) as these were not readily available in organized files, reports or databases. The M&E Specialist has played an important role together with the Programme Accountant (ad-interim Manager until the recruitment of a new Programme Manager on October 16, 2013) in developing, with input from the CYOs, a draft AWPB 2014. Due to lack of staff and delays in the recruitment processes, the M&E Specialist has had to spent time in assisting with several administrative tasks, affecting time available for M&E-related tasks.

24. **Baseline and RIMS.** As agreed during the last Supervision Mission, the bidding process for the RIMS survey was withdrawn, and the M&E Specialist has taken the lead in conducting the RIMS and baseline survey. The M&E Specialist has finalized the design of the sample and will be training enumerators and field supervisors in November 2013. The collection of data in the field and data input will be finalized by the end of the year. However, the data analysis and report writing will have to be

carried over to the first trimester of 2014. The process is behind schedule due to delays by the MOF in authorizing the PCU to advertise for the enumerators. The MAREP ad-interim Manager sent the request for withdrawal of the bidding process to MOF on July 5th, but only received authorization to do so and to advertise for the enumerators on September 4th.

25. **Reporting.** The annual progress reports for 2011 and 2012 should have been submitted by March 31, 2012 and March 2013, respectively. However, as of to date, these documents has not been submitted to IFAD or CDB by MOF.

26. **M&E System.** The M&E Specialist has made some progress on developing databases for specific Programme interventions. However, a clear overview of the elements of the M&E system, the reports it should be able to create, the data input required to generate these reports, the instruments for data collection and the “who”, “when” and “frequency” of data collection, is still lacking. The M&E Specialist will “map-out” the elements of the M&E System with the help of the Peace Corps volunteer at MAREP before the end of the year. It was agreed that both the M&E Specialist and the Peace Corps volunteer will receive training in Programming in ACCESS (to refresh already existing knowledge with programming), and that the M&E System will be fully operational by March 31, 2014. A simple user’s manual will also be developed for PCU staff, so they can assist with data input and have an understanding of the different reports that can be generated by the system and their use in Programme management and decision making. With the Programme Manager on board since mid-October, the M&E Specialist should now be relieved from administrative duties and focus on her specific duties and deliverables related to M&E.

Agreed action	Responsibility	Agreed date
Make adjustments to the AWPB 2014 and procurement plan as discussed with the PSC Chair and PM; after approval by the PSC and MOF submit the AWPB to IFAD and CDB for No objection.	PM / PSC / MOF	By mid-December 2013
Submit the 2011 and 2012 Annual Progress reports to IFAD and CDB.	MOF	By November 30, 2013
Train enumerators and field supervisors, implement and oversee the RIMS Baseline survey.	M&E Specialist	Finalized by December 31, 2013
Develop questionnaire, organize focus groups and carry out baseline survey for LF indicators.	M&E Specialist	Finalized by March 1, 2013
Data analysis and RIMS and Baseline survey report.	M&E Specialist	Finalized by March 31, 2014
Contract training in programming in ACCESS.	M&E Specialist / Programme Accountant / PM	By January 15, 2014
M&E system fully operational.	M&E Specialist	By March 31, 2014

27. **Coherence between AWPB and implementation.** For the Financial Year (FY) 2013 the Programme originally budgeted a total of USD 1,489,808 and the expended amount was USD 258,049 (17% of the total budgeted amount). The expenditure by financiers and by component was as follows:

Component	Budgeted Amount 2013					Expended Amount USD as at October 31st ,2013					Percentage				
	IFAD	GOG	CDB	Beneficial	TOTAL	IFAD	GOG	CDB	Beneficial	TOTAL	IFAD	GOG	CDB	Beneficial	TOTAL
HSCB	171,687	134,131	-	-	305,818	17,029	23,728	-	-	40,757	10%	18%	0%	0%	13%
MAED	122,998	67,634	519,504	10,124	720,260	39,847	14,001	-	-	53,847	32%	21%	0%	0%	7%
PM	200,455	186,296	76,979		463,730	68,558	94,074	813	-	163,445	34%	50%	1%	0%	35%
TOTAL	495,140	388,061	596,483	10,124	1,489,808	125,433	131,803	813	-	258,049	25%	34%	0%	0%	17%

28. **Gender Focus.** There is an overall awareness amongst current PCU staff, including the recently recruited Programme Manager, with regard to mainstreaming of gender equity throughout Programme interventions. Gender equity also forms part of the orientation the PCU

receives from the Programme Steering Committee. However, as no recruitment has taken place since the last Supervision Mission, except for the Programme Manager, the Gender and Youth Officer (GYO) post is still vacant. With all the new staff that will be recruited in the coming months, the role of the Gender and Youth Officer will be key to bring the complete PCU up to speed as to the MAREP gender equity mainstreaming strategy and actions planned for 2014. The collaboration of the GYO with staff of the Market and Enterprise Development Component, selection procedures for candidates for the Vocational and Skills training, and the procedures for the Rural Investment Fund, will be key to successfully mainstream gender equity in Programme implementation.

29. **Poverty Focus.** The PCU has been clear on the poverty focus of the Programme since its beginning. The activities carried out by MAREP up to date address the needs and interests of the rural poor, especially the more vulnerable groups. A close follow-up of the selection of candidates for the Vocational and Skills training planned for 2014, and the Rural Investment Fund (RIF) proposals to be screened and approved is important to ensure that this poverty focus is maintained. The innovative ideas in the AWPB 2014 that link MAREP to Grenada's new destination marketing brand (National Policy), and include marketing strategies for the entire productive sector, should be geared towards including MAREP's target population in new business and marketing opportunities.
30. **Effectiveness of Targeting Approach.** In previous years, the PCU has developed clear targeting criteria and tools. With new Communities and Community Based Organizations planned to be phased in during 2014, the PCU will have to carefully apply these criteria and demonstrate that the interventions will benefit members of MAREP's target group.
31. The Mission wishes to emphasize that in identifying and selecting new CBOs, the Human and Social Capacity Building Component (HSCB) will have to closely work with the Market and Enterprise Development Component (MAED) in order to phase-in more CBOs with market or business potential instead of the more community development oriented CBOs. Furthermore, in the selection process of new communities, the synergy between the interventions by the HSCB and MAED components and the construction of the feeder roads in certain communities should be included as one of the targeting criteria.
32. **Innovation and Learning.** MAREP supported La Tante Development Organization, located in St. David's to develop a business idea to be presented to the RIF. Through the cooperation between the HSCB and MAED Components, a CBO initially focusing only on community development is now looking into the potential of developing a business that would provide services to the rural farmers in the community. Since the last Supervision Mission, the community has developed another initiative, "A taste of St. David's", where local talent and skills (dance, craft, cooking, amongst others) were showcased. The event generated income for the organization and participating members of the community and has strengthened the link of La Tante with other communities in the Parish (social capital) also participating in the event. The Grenada Board of Tourism and a private enterprise sponsored the event, and MAREP has played a supporting role through its CYO. MAREP is also supporting the CBOs in La Tante in their registration process, so they can carry out their plans to raise funds for productive activities through the Diaspora initiative (remittances). This particular experience can be characterized as an innovation. Learning from this experience could be an interesting input to interventions planned in the 2014 AWPB with regard to Grenada's new destination marketing brand.

Agreed action	Responsibility	Agreed date
Identify new communities to be phased-in, while including in the targeting criteria the synergy between interventions that could result from construction of the feeder roads in certain communities.	PCU	January 31, 2014
Identify in MAREP assisted communities more business and productive oriented groups that meet the targeting criteria.	BDS / HSCB Specialist BDO / CYO	March 31, 2014
Share and discuss with the PCU staff, as soon as completed all recruitment, the gender equity mainstreaming strategy and how to make it operational in the 2014 AWPB.	HSCB Specialist / GYO / PM	As soon as all PCU staff has been recruited.

Fiduciary aspects

33. **Financial management.** The overall Financial Management assessment of the Programme is satisfactory, although there are some areas that require prompt intervention. Currently there is only one Programme staff assigned to fiduciary related tasks, the Programme Accountant (PA), who is a chartered accountant with relevant professional experience to adequately discharge fiduciary responsibilities. The PA is the only staff with access to the accounting software and who has knowledge of IFAD requirements and procedures relating to financial management. The mission has raised concerns that the possible turnover in this position could represent a financial management risk to the Programme, and could slow down the execution of activities during a critical phase of implementation.
34. Areas of improvement identified during the mission are the following: (1) The PA manually backs up financial data on a regular basis. However, it is essential that a proper system of back up is developed to mitigate the risk of data loss; (2) The Operating Manual has a section on Administration –Finances- Accounting which needs to be reviewed and updated. It is fundamental that the PCU includes, in the Operating Manual, procedures relating to the accounting system, the processing of transactions, fixed asset register, contract register, internal control measures and other relevant fiduciary related matters. The Programme should consider the opportunity of contracting an external consultant to complete this task.
35. In view of the recruitment of the new position of Administrative Officer, it is strongly recommended that the position would dedicate about 50% of the time to fiduciary related tasks. This would ensure that an alternate to the PA is in place to handle the accounting system and other essential fiduciary responsibilities during absences.
36. The Programme accounting system, QuickBooks, has been designed to report expenditures in line with IFAD requirements (by financier, component and category of expenditure). Additionally, all transactions are recorded in the Ministry of Finance in the Smartstream system, and the two systems are reconciled regularly. Also, the Ministry of Finance authorises all payments processed by the Programme, which improves MAREP's internal control system.
37. The mission had the opportunity to review the supporting documentation of expenditures submitted to IFAD through withdrawal applications, the assets register and the register of contracts. All documents were generally complete and satisfactory. The Programme has to improve the monthly bank reconciliations, ensuring that they are properly documented and signed by the Programme Manager. The mission observed that bank reconciliation statement was last signed up to March 2013. In the absence of the Programme Manager, the statements should be signed by a senior staff in the Programme.
38. **Disbursements.** As of 31 October 2013, IFAD has disbursed USD 784,000, which represents only 26% of total IFAD financing. The low disbursement rate is due to implementation delays. To date, the Programme has spent approximately additional USD 90,000 which is yet to be claimed to IFAD for replenishment.

39. The mission noted that IFAD resources were used to finance about USD 40,000 of expenditures under CDB financed component. These expenditures have to be promptly reclassified under the pertinent source of financing. The Programme was reminded that IFAD funds can only be used for IFAD financed components and categories, as established in the Financing Agreement and Design Document.
40. The Programme was also advised to closely monitor other liquidity requirements for the CDB financed components and to ensure that withdrawal applications are timely submitted to CDB.
41. **Counterpart funds.** The Programme has not requested to the Ministry of Finance the release of counterpart funds during 2013. This was mainly due to the low liquidity requirements during the year and the existence of sufficient Government funds carried over from 2012. The Programme is advised to request counterpart funds from GOG to cover expenditure up to year end as well as to cover CDB expenditure to date, if first disbursement from CDB is not anticipated before December 31, 2013.
42. **Loan Covenants.** The Programme did not fully comply with the loan covenants due to the late submission of 2013 AWPB and the non-submission of the Progress Report for 2012.
43. **Procurement.** No significant procurement activities were performed during 2013. The mission reviewed the procurement documentation relating to the contracting of the audit firm and found it in order. In view of future intensification of MAREP activities, the Programme is reminded of the importance to comply with IFAD procurement guidelines and handbook.
44. **Audit.** The audit report for fiscal year 2012 was timely submitted to IFAD and had an unqualified opinion on the Financial Statements, SOE and Designated Account. However, the mission noted that the management letter of the audit did not cover or identify relevant fiduciary weaknesses. Although the contracting of the same audit firm is recommended, it is important that the auditor places more effort in analysing the internal control environment and reports accordingly.

Agreed action	Responsibility	Agreed date
Completion of Back Up system through GoG server	Accountant, MOF	31 December 2013
Completion of FM procedures in POM	Accountant	31 January 2014
Reclassification of CDB comp. expenditures	Accountant	31 December 2013
Prepare Withdrawal Application for CDB and IFAD	Accountant	Immediately
Request Counterparts Fund from GOG	Accountant / PM /MOF	Immediately

Sustainability: Re-structured work plan for 2014-2016

45. Given the limited progress in Programme implementation, there is nothing to report in this area at this stage. In preparation for next year's Mid-term Review, the Mission recommends the PSC to cooperate with MAREP PCU in developing a restructured work plan to cover the remaining project timeline that will elaborate how key performance objectives will be achieved within the shortened time period. This plan will allow to visualize that most Programme-related activities need to be carried out by the end of 2015, while the last 15 months will be used for consolidation and pre-phasing out actions in 2016 and the first quarter of 2017.

Agreed action	Responsibility	Agreed date
Elaborate an Action Plan projecting strategic thrusts until Programme closure, including consolidation phase in last 15 months of Programme implementation	PSC/PCU	June 1, 2014
Elaborate a multi-year projection of work plans and budget until Programme closure	PCU	June 1, 2014

Other

46. **Fiscal Management.** The Ministry of Finance is kindly requested to confirm that adequate fiscal space will be available to MAREP to implement its AWPB 2014 at the levels currently discussed, both in terms of counterpart funding and capacity to drawdown resources from IFAD and CDB loans.
47. Given the proximity of the date, the Ministry of Finance is kindly reminded of the bi-annual deadlines (1 June; 1 December) related to its financial obligations towards IFAD (i.e. reimbursement of previous loans).

Agreed action	Responsibility	Agreed date
Confirm availability of fiscal space and counterpart funding for 2014	MOF	Nov 30, 2013
Timeliness on financial obligations	MOF	Nov 30, 2013

Conclusions

48. The Mission wishes to commend the Government of Grenada for its effective and rapid response to address IFAD and CDB's concerns, as expressed at the end of the last supervision mission in June-July 2013. The determination of the Government, to be observed in the professional profile and development experience of new PSC and PCU members, now gives this programme a clear chance of success. However, the situation is still critical, as MAREP is about to enter the fourth year of implementation with a partially-staffed PCU and very scarce results in the field, which leaves no room for self-complacency. The next semester will be crucial to define whether or not MAREP can be turned into a success story before closure. A Mid-term Review will be carried out in 2014 to take stock of progress made both at the institutional and community levels, and express recommendations on any adjustments that may be needed to reach MAREP's strategic objectives by end-2016. The Government, IFAD and CDB will agree on specific dates for the MTR by March 31, 2014.
49. IFAD and the Government of Grenada endorse the findings of the supervision mission.

Appendix 1: Summary of project status and ratings

Project 1569 [819] Market Access and Rural Enterprise Development Programme - Draft

Basic Facts

Country	Grenada		Project ID	1569	Loan/DSF Grant No.	819
Project	Market Access and Rural Enterprise Development Programme				Top-up Loan/DSF Grant	
Date of Update						
Supervising Inst.	IFAD/IFAD					
No. of Supervisions	5	No. of Implementation Support/Follow-up missions	0			
Last Supervision	June-2013	Last Implementation Support/Follow-up mission				

USD million Disb. rate %

Approval	05-Dec-2010			Total financing	8.50	
Agreement	30-Mar-2011	Effectiveness lag	3.8	IFAD Total	3.00	
Entry into force	30-Mar-2011	PAR value	-----	IFAD loan	3.00	23
First disbursement				DSF grant		
MTR		Last amendment		IFAD grant		
Original completion	31-Mar-2017	Last audit		Domestic Total	2.50	
Current completion	31-Mar-2017			Beneficiaries	0.27	0
Original closing	30-Sep-2017			Government (National)	2.23	20
Current closing	30-Sep-2017			External Cofinancing Total	3.00	
No. of extensions	0			CDB	2.00	0
				CDB Top up	1.00	0

Project Performance Ratings

B.1 Fiduciary Aspects	Last	Current	B.2 Project implementation progress	Last	Current
1. Quality of financial management	5	5	1. Quality of project management	3	4
2. Acceptable disbursement rate	3	3	2. Performance of M&E	4	3
3. Counterpart funds	3	3	3. Coherence between AWPB & implementation	1	3
4. Compliance with financing covenants	4	4	4. Gender focus	5	5
5. Compliance with procurement	5	5	5. Poverty focus	4	4
6. Quality and timeliness of audits	5	5	6. Effectiveness of targeting approach	5	5
			7. Innovation and learning	4	3
			8. Climate and environment focus	a/	2

B.3 Outputs and outcomes	Last	Current	B.4 Sustainability	Last	Current
1. Human and Social Capital Building	2	3	1. Institution building (organizations, etc.)	4	4
2. Market Access and Enterprise Development	2	3	2. Empowerment	3	3

3. Quality of beneficiary participation	3	2
4. Responsiveness of service providers	3	3
5. Exit strategy (readiness and quality)	4	NR
6. Potential for scaling up and replication	4	4

B.5 Justification of ratings

The GOG has appointed a new PM since September. A new PSC has also been appointed with strong leadership to provide guidance to project implementation. Both are committed to advance implementation and are working in close collaboration to develop the 2014 AWPB. The new PSC does not include representatives of GIDC, a key implementing partner, and representatives of beneficiaries. The recruitment of Specialists and other staff has not been completed. As mentioned in June, the Mission recognizes the effort of remaining staff (Accountant, M&E Specialist, CYOs and secretary) in maintaining the project active at a minimum level of activities and for supporting recently appointed PM for the staff recruitment process and the AWPB. The GOG has decided to re-advertise all staff positions which continue to bring uncertainty for the staff. The development of the M&E system is delayed due to the Specialist being engaged in other tasks in support of the new PM. The 2014 AWPB is under preparation in close collaboration with the PSC and following IFAD guidelines. There have been almost no activities with beneficiaries in both components. Nonetheless, the MOUs with GIDC, GCBL and the MOW have been signed. The RIF is expected to start implementation through the feeder road component with the MOW. All measures have been taken for the project to make a significant progress in the first semester of 2014.

Overall Assessment and Risk Profile

	Last	Current
C.1 Physical/financial assets	2	2
C.2 Food security	2	2
C.3 Quality of natural asset improvement and climate resilience		3
C.4 Overall implementation progress (Sections B1 and B2)	3	3

Rationale for implementation progress rating

There have been very limited activities with beneficiaries that improve their physical/financial assets or food security. Appropriate action has been taken by the GOG. The situation is expected to change drastically in 2014 since the PSC and the project staff are committed to complete the preparation activities that ensure the implementation of the RIF and technical services in 2014.

C.5 Likelihood of achieving the development objectives (section B3 and B4)	3	3
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Rationale for development objectives rating

Current vacancies and delays in ongoing recruitment process for all positions have delayed implementation. Key MOUs are signed and ready to start implementation (GIDC and MOW). The feeder road component of the RIF is expected to start construction before year end. MOU with MOA is under negotiation.

C.6 **Risks** Short description of major risks for each section and their impact on achievement of development objectives and sustainability

Fiduciary aspects	Possible turnover in the position of the Project Accountant (PA) could represent a loss of IFAD and Project specific knowledge and experience, and could slow down the execution of activities during a critical phase of implementation. Failure to request and receive funds from GoG and CDB could hinder implementing activities. The back-up system issue has not been resolved
Project implementation progress	The GOG decided to re-advertise all staff positions. Possible turnover of staff could represent a loss of IFAD and Project specific knowledge and experience, and could hamper progress during a critical phase of implementation.
Outputs and outcomes	Long delays in tangibles and services delivered to beneficiaries put the outputs and outcomes of the project at stake. No further delays in implementation of recently signed MOUs is critical to revert the situation.
Sustainability	If the above problems are not solved, sustainability is at risk.

Proposed Follow-up

Issue / Problem	Recommended Action	Timing	Status
1. Programme implementation	Assign a temporary acting PM from GOG staff or appoint one of MAREP PCU staff as interim PM	By July 15, 2013	Completed
	Renewal of contracts of present PCU staff		Not completed (Temp. assignments instead of contracts)
	Recruitment of key positions (PM)	July 31, 2013	Completed
	Recruitment BDS, HSCB, CYO	July 31, 2013	Not completed
	Recruitment of other PMT positions (AO,GYO)	September 30, 2013	Not completed
2. Planning and M&E	Signing of GIDC MOU	July 19, 2013	Completed
	Signing of GCBL MOU	July 31, 2013	Completed
	Develop the AWPB 2014 with all PCU staff; use	November 15, 2013	Draft completed

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	checklist to ensure quality		
	Joint detailed work plan discussed and agreed with GIDC for the next six months	July 31, 2013	Not completed
	Submit the 2011 and 2012 Annual Progress report to IFAD and CDB by MOF	August 31, 2013	Not completed
	Implement and oversee the RIMS Baseline survey	November 30, 2013	Not completed
	Have the M&E system operating	December 31, 2013	Delayed
3. Skills and vocation training	Address the issue in negotiation with NTA and identify alternative service providers for the scholarship programme for youth	By October 31, 2013	Completed, included in AWPB 2014
	MOU with vocational skills training service providers	September 30, 2013	Not completed
4. RIF not yet operational	RIF POM finalized	September 30, 2013	Not completed
	Prepare an MOU with the MOW to implement the access road component of the RIF	September 15, 2013	Completed
	Develop simple manuals and instruments to assist CBOs with DIB and train CYOs in their use.	September 30, 2013	Not completed
	Assist CBOs in the development of documentation and process for formal registration	September 30, 2013	Started and in progress
5. Other	Certificate of building stability/safety for the PCU Office	July 15, 2013	Completed

Additional observations

Sixth joint supervision mission May 2014

[Click here and choose appropriate title from the list.](#) Mission dates: [click here and insert mission dates]

Appendix 2: Updated logical framework: Progress against objectives, outcomes and outputs

LOGICAL FRAMEWORK GRENADA: MARKET ACCESS AND RURAL ENTERPRISE DEVELOPMENT PROGRAMME				
RESULTS HIERARCHY	KEY PERFORMANCE INDICATORS	Achievement	Progress %	Comment
Goal: To contribute to the reduction of rural poverty and vulnerability of rural young unemployed or self-employed men and women in 50 rural communities in Grenada.	Percentage of households that increase their index of household assets ownership (RIMS anchor indicator)			
Programme Development Objective: To increase the income of rural young unemployed or self-employed men and women.	By the end of Programme implementation 4 250 poor and vulnerable rural beneficiaries (56% male and 44% female) in the priority areas will rise above the poverty line set at EC\$ 5,842/ per capita per annum, and the vulnerability line EC\$ 7,302/per capita per annum.			
Component 1				
Output 1.1 Training and TA programme to strengthen rural organizations in organizational aspects, social and human capital, has been successfully implemented.	20% increase of both young men/women in membership and of female leadership in rural organizations with 20%; by year 4.			
	<i>Community groups formed/strengthened</i>	26	12.4	
	<i>People in community groups formed/strengthened</i>	627	14.8	
	<i>Community groups with women in leadership positions</i>	21	14.3	
	<i>Apex organisations formed/strengthened</i>	4	80.0	
Output 1.2 Workshops on gender inequity in rural organizations have lead to concrete proposals for gender equity affirmative actions				
Output 1.3 Rural organizations have developed administrative skills to directly manage funds from operational RIF.				
Output 1.5 National advocacy campaign addressing gender, youth, and poverty related social issues implemented.	At least 500 young rural men/women have become motivated and interested in vocational training, agriculture, business and/or community development; by year 4.	300	60.0	The numbers of persons on the march were not counted or the information disseminated accounted
Output 1.6 Youth motivational programme implemented in targeted communities.	At least 500 young rural men/women have become motivated and interested in vocational training, agriculture, business and/or community development; by year 4.	275	55.0	
Output 2.1 Life-skills and personal development training programme developed and implemented.	80% of beneficiaries of vocational and skills training also pass through personal development training; by year 5.	26	2.2	
Output 2.2 Vocational and skills training programme implemented through MoU and contracts with several service providers.	900 young men and 600 young women from targeted communities have fulfilled vocational or skills training.	13	0.9	

<p>Output 2.3 M&E during training and job placement arrangements implemented (including successful linkage to the Programme’s business plan development).</p> <p>Component 2</p> <p>Outcome 3: Rural businesses and microenterprises established and strengthened.</p> <p>Outputs</p> <p>3.1 Rural Technical and Entrepreneurial Services (RTES) that contribute to the establishment and/or consolidation of profitable and competitive agricultural and non-agricultural rural businesses provided.</p> <p>3.2 Extension services and technical assistance to beneficiary groups in support to the preparation of a business plan provided.</p> <p>3.3 On demand short term specialized technical support for specific needs identified during the preparation or implementation of the business plans provided.</p> <p>3.4 Fully operational Rural Investment Fund for social and productive investments.</p> <p>Outcome 4: Improved sustainable agriculture, linkages to production chains, access to markets, and financial services.</p> <p>Outputs</p> <p>4.1 Training of MOA staff and team work building with Community Officers and Business Development Officers successfully implemented.</p> <p>4.2 Programme to improve access to relevant information and quality support services implemented, leading to an increase in productivity, sales and sustainability, to diversifying market outlets and to developing the specific product type and quality demanded by the targeted markets.</p> <p>4.3 Technical support services established and provided, allowing farmers, fishermen, and other producers, both individually and in associations to enhance their technological and organizational skills increasing production, sales, employment and incomes.</p> <p>4.5 Line of credit available to sub-borrowers, and subsequently the programme’s target group.</p> <p>4.6 Rural Financial Innovation Fund operational.</p> <p>4.7 Liaison with the Office of the Diaspora Affairs and the FFR find alternative and additional financing sources to implement proposals.</p>				
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Appendix 3: Summary of key actions to be taken within agreed timeframes

Action Area	Action Agreed	Date	Whom	Progress	
Project Implementation	Recruitment of PCU positions	Completed 31 January, 2014	PM / PSC / MOF		
	Ensure continuity in key technical areas of PCU				
	Intensify Programme oversight with monthly reports to PS Finance, IFAD and CDB	Monthly	PCU		
	Intensify ad-hoc support and coaching to Programme PSC and PCU as required	Continuously	IFAD		
	Finalize the AWPB 2014 with PCU staff and implementing partners	December 15, 2013	PMT-Implementing partners / MOF / PSC		
	Joint detailed work plan discussed and agreed with GIDC for the next six months	December 15, 2013	GIDC / PCU		
	Signing of MOA MOU	December 31, 2013	PM / PSC		
	Review the representation of GIDC and beneficiaries in the PSC	Immediately	PSC / MOF		
	Submit the 2011 Annual Progress report to IFAD and CDB	Immediately	MOF		
	Implement and oversee the RIMS Baseline survey and submit final report	March 31, 2014	M&E Specialist / PM		
Outputs	Have the M&E system operating	March 31, 2014	M&E Specialist / PM		
	Share and discuss with the PCU staff, as soon as completed all recruitment, the gender equity mainstreaming strategy and how to make it operational in the 2014 AWPB.	As soon as all PCU staff has been recruited	HSCB Specialist / GYO / PM		
	RIF POM finalized	March 31, 2014	PMT / GIDC / PSC		
	Start implement construction of feeder road / RIF	December 2013	MOF / PMT / MOW Accountant / M&E Specialist / HSCB and BS Specialist		
	Develop simple manuals and instruments to assist CBOs with DIB and train CYOs in their use.	March 31, 2014	BS and HSCB Specialists / GYO		
	Review existing RIF proposals and assist in improving them (if required)	March 31, 2014			
	Assist CBOs in the development of documentation and the process for formal registration	Ongoing	CYO / HSCB Specialist		
	MOUs with service providers for implementing the scholarship programme for youth	By January 31, 2014	PMT / PSC		
	Fiduciary Aspects	Back Up system through the GOG server	December 31, 2013	Accountant / MOF	
		Update of the POM paying particular to the Financial Management	January 31, 2014	Accountant	

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Other	Reclassification of CDB comp. expenditures	December 31, 2013	Accountant
	Prepare Withdrawal Application for CDB and IFAD	Immediately	Accountant
	Request Counterparts Fund from GOG	Immediately	Accountant / PM /MOF
Sustainability	Elaborate an Action Plan projecting strategic thrusts until Programme closure, including consolidation phase in last 15 months of Programme implementation	June 1, 2014	PSC / PCU
	Elaborate a multi-year projection of work plans and budget until Programme closure	June 1, 2014	PCU

[Click here and choose appropriate title from the list.](#) Mission dates: [click here and insert mission dates]

Appendix 4: Physical progress measured against AWP&B, including RIMS indicators

Period 1st Jan 2013 – 31st October 2013

Component/Sub Component/Output	Indicator	Unit	AWPB 2013	Actual (implemented 1st Jan - 31st Oct, 2013)	%	Cumulative Actual (April 2011+1st Jan - 31st Dec, 2012+1st Jan – 31 st)	Appraisal Target	%	Comments
Component 1									
Output 1.1 Training and TA programme to strengthen rural organizations in organizational aspects, social and human capital, has been successfully implemented.	20% increase of both young men/women in membership and of female leadership in rural organizations with 20%; by year 4.	Number	13	8	70	26	147	18	
Output 1.1 Training and TA programme to strengthen rural organizations in organizational aspects, social and human capital, has been successfully implemented.	20% increase of both young men/women in membership and of female leadership in rural organizations with 20%; by year 4.	Male	NA	4		302	NA	NA	
Output 1.1 Training and TA programme to strengthen rural organizations in organizational aspects, social and human capital, has been successfully implemented.	20% increase of both young men/women in membership and of female leadership in rural organizations with 20%; by year 4.	Female	NA	10		208	NA	NA	
Output 1.2 Workshops on gender inequity in rural organizations have lead to concrete proposals for gender equity affirmative actions	20% increase of both young men/women in membership and of female leadership in rural organizations with 20%; by year 4.	Number	3				5		
Output 1.3 Rural organizations have developed administrative skills to directly manage funds from operational RIF.									
Output 1.2 Workshops on gender inequity in rural organizations have lead to concrete proposals for gender equity affirmative actions									

Output 1.6 Youth motivational programme implemented in targeted communities.	At least 500 young rural men/women have become motivated and interested in vocational training, agriculture, business and/or community development; by year 4.	Number	6	1	17	2	NA		In the AWPB 25 participants were targeted from each community.
Output 1.6 Youth motivational programme implemented in targeted communities.	At least 500 young rural men/women have become motivated and interested in vocational training, agriculture, business and/or community development; by year 4.	Male	150	122	NA	275	500	55	Participants of the Youth Motivational Symposium was not disaggregated for 2012
Output 1.6 Youth motivational programme implemented in targeted communities.	At least 500 young rural men/women have become motivated and interested in vocational training, agriculture, business and/or community development; by year 4.	Female			NA				
Output 1.4 Increased knowledge amongst beneficiaries, especially young men and women alcoholism, domestic violence, HIV/AIDS, responsible fatherhood, environmental education, food security, food safety, and nutrition.	At least 500 young rural men/women have become motivated and interested in vocational training, agriculture, business and/or community development; by year 4.	Number	NA	1		1			A Community Forum was done on Anti-Drug
Output 1.4 Increased knowledge amongst beneficiaries, especially young men and women alcoholism, domestic violence, HIV/AIDS, responsible fatherhood, environmental education, food security, food safety, and nutrition.	At least 500 young rural men/women have become motivated and interested in vocational training, agriculture, business and/or community development; by year 4.	Male	NA	NA		NA	500		
Output 1.4 Increased knowledge amongst beneficiaries, especially young men and women alcoholism, domestic violence, HIV/AIDS, responsible fatherhood, environmental education, food security, food safety, and nutrition.	At least 500 young rural men/women have become motivated and interested in vocational training, agriculture, business and/or community development; by year 4.	Female	NA	NA		NA			

Output 1.5 National advocacy campaign addressing gender, youth, and poverty related social issues implemented	At least 500 young rural men/women have become motivated and interested in vocational training, agriculture, business and/or community development; by year 4.	Number	NA	2	2	2			
Output 1.5 National advocacy campaign addressing gender, youth, and poverty related social issues implemented	At least 500 young rural men/women have become motivated and interested in vocational training, agriculture, business and/or community development; by year 4.	Male	NA	300		300	500		
Output 1.5 National advocacy campaign addressing gender, youth, and poverty related social issues implemented	At least 500 young rural men/women have become motivated and interested in vocational training, agriculture, business and/or community development; by year 4.	Female	NA						
Output 2.1 Life-skills and personal development training programme developed and implemented.	80% of beneficiaries of vocational and skills training also pass through personal development training; by year 5.	Male	150	3		6	720	1	
Output 2.1 Life-skills and personal development training programme developed and implemented.	80% of beneficiaries of vocational and skills training also pass through personal development training; by year 5.	Female		12		13	480	3	
Output 2.2 Vocational and skills training programme implemented through MoU and contracts with several service providers.	900 young men and 600 young women from targeted communities have fulfilled vocational or skills training.	Number	3	1	33	4	1500	0	
Output 2.2 Vocational and skills training programme implemented through MoU and contracts with several service providers.	900 young men and 600 young women from targeted communities have fulfilled vocational or skills training.	Male	90	1	1	4	900	0	
Output 2.2 Vocational and skills training programme implemented through MoU and contracts with several service providers.	900 young men and 600 young women from targeted communities have fulfilled vocational or skills training.	Female	50	8	16	9	600	2	

RIMS Indicators									
Natural resources (land and water)									
1.1.2 Groups managing infrastructure formed/strengthened	Number	NA	2		7				
1.1.3 People in groups managing infrastructure formed/strengthened	Male	NA	4		40				
1.1.3 People in groups managing infrastructure formed/strengthened	Female	NA	17		48				
1.1.4 Groups managing infrastructure with women in leadership positions	Number	NA	2		7				
Enterprise development and employment									
1.5.1 People trained in Income Generating Activities	Male	NA	1		4	900	0		
1.5.1 People trained in Income Generating Activities	Female	NA	8		9	600	2		
1.5.2 People receiving vocational training	Male	60	1		4	900	0		
1.5.2 People receiving vocational training	Female	40	8		9	600	2		
Policy and community programming									
1.6.4 Community groups formed/strengthened	Number	13	8		25	147	17		
1.6.5 People in community groups formed/strengthened	Male	NA	4		284	NA	NA		
1.6.5 People in community groups formed/strengthened	Female	NA	10		191	NA	NA		
1.6.6 Community groups with women in leadership positions	Number	NA	15		21	147	14		
1.6.9 Apex organisations formed/strengthened	Number	16	4		5	5	100		
Total Outreach									
1.8.1 Individuals receiving project services	Male	NA	302		368	NA	NA		
1.8.1 Individuals receiving project services	Female	NA	208		259	NA	NA		
1.8.3 Groups receiving project services	Number	7	19		26	147	18		
1.8.4 Communities receiving project services	Number	20	19		25	50	50		

[Click here and choose appropriate title from the list.](#) Mission dates: [click here and insert mission dates]

Appendix 5: Financial: Actual financial performance by financier; by component and disbursements by category

Table 5A: Financial performance by financier as at October 31, 2013

Financier	Appraisal (USD '000)	Disbursements (USD '000)	Per cent Disbursed
IFAD loan	3,000	784	26%
Beneficiaries	270	-	-
CDB Loan	3,000	-	-
Government	2,230	444	20%
Total	8,500	1,228	14%

Table 5B: Financial performance by financier by component (USD '000)

Component	IFAD loan			Co-financier- CDB			Government			Beneficiaries			Total		
	Appraisal	Actual	%	Appraisal	Actual*	%	Appraisal	Actual	%	Appraisal	Actual	%	Appraisal	Actual	%
1. Human and Social Capital Building	1,328	101	8	-	-	-	95	118	12	100	-	-	2,38	219	9
2. Market Access and Enterprise Development	854	43	5	2,785	-	-	49	27	6	170	-	-	4,30	70	2
3. Programme Management	819	234	29	215	41	19	78	285	36	-	-	-	1,81	560	31
Total**	3,000	378	13	3,000	41	1	2,230	430	19	270	-	-	8,500	849	10

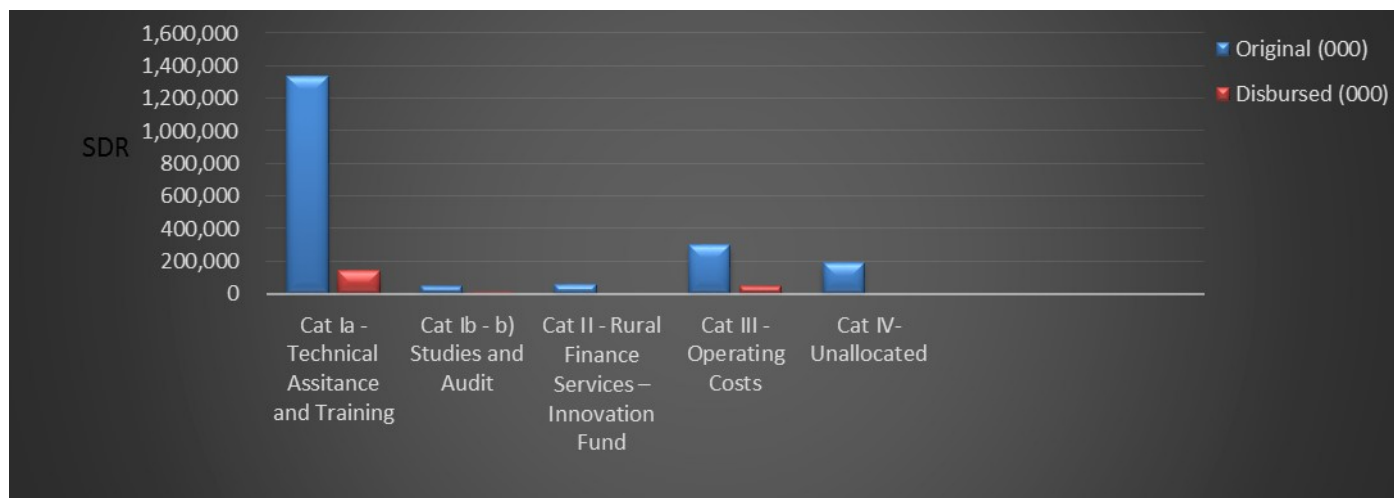
* CDB expenditures were financed by IFAD resources and are currently being reclassified.

**Discrepancies in totals are due to rounding.

Table 5C: IFAD loan disbursements (SDR, as at 31-10-13)

Category	Category description	Original Allocation	Disbursement	Balance	Per cent disbursed
I	Technical Assistance, Training, Studies and Audit				
	a) Technical Assistance and Training	1,335,000	139,989	1,195,011	10.49%
	b) Studies and Audit	45,000	919	44,081	2.04%
II	Rural Finance Services – Innovation Fund	60,000	-	60,000	0%
III	Operating Costs	300,000	44,726	255,274	14.91%
IV	Unallocated	190,000		190,000	0%
	Authorized Allocation Special Account	-	310,619	(310,619)	-
	Total	1,930,000	496,253	1,433,747	25.71%

Figure 1: IFAD loan disbursements, comparisons between original allocation and actual disbursements as at October 31, 2013



Appendix 6: Compliance with legal covenants

Section	Covenant	Compliance Status/Date	Remarks
Para. 6, Section B, Financing Agreement (FA)	PCU to open "Project Accounts "	Compliant	
Section 7.05 (a), Article IV, General Conditions (GC)	Procurement of goods, works and services carried out in accordance with the Funds procurement guidelines	Compliant	
Section 9.02, Article IX (GC)	Submission of Financial Statements to IFAD	Compliant	Financial Statements for FY 1012 submitted to IFAD on 30 April 2013
Section 9.03, Article IX (GC)	Audit report submitted to IFAD.	Compliant	Audit Report for FY 2012 submitted to IFAD on June 25,2013
Article VIII (GC) Section 8.03	Progress reports to be submitted to IFAD periodically on the project.	Non-compliant	To date the progress report for 2012 has not been submitted to IFAD
Para. 3.3, Sec. II, Schedule 1 (FA)	AWPB to be submitted to the Fund for no objection	Non-compliant	AWPB for 2013 has been submitted to IFAD during the second semester 2013. AWPB 2014 has not been submitted to IFAD and it is currently being prepared.
Section 8.03 (b), Article VIII (GC)	A Mid-Term Review (MTR) to be carried out jointly by the Borrower and IFAD.	Not yet due	

Appendix 7: Knowledge management: Learning and Innovation

Learning

Though a learning and communication plan has been developed, this has not yet put into practice.

Innovation: Describe any interesting innovation noted during supervision

MAREP supported La Tante Development Organization, located in St. David's to develop a business idea to be presented to the RIF.

Through the cooperation between the HSCB and MAED Components, a CBO initially focusing only on community development is now looking into the potential of developing a business that would provide services to the rural farmers in the community.

Since the last Supervision Mission, the community has developed another initiative, "A taste of St. David's", where local talent and skills (dance, craft, cooking, amongst others) were showcased. The event generated income for the organization and participating members of the community and has strengthened the link of La Tante with other communities in the Parish (social capital) also participating in the event.

The Grenada Board of Tourism and a private enterprise sponsored the event, and MAREP has played a supporting role through its CYO. MAREP is also supporting the CBOs in La Tante in their registration process, so they can carry out their plans to raise funds for productive activities through the Diaspora initiative (remittances).

This particular experience can be characterized as an innovation. Learning from this experience could be an interesting input to interventions planned in the 2014 AWPB with regard to Grenada's new destination marketing brand.
